

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2005

	July-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Month	Net ROR	Fiscal YTD	FY05	Ended	Ended
		Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2005	6/30/2005
							Net	Net
LARGE CAP DOMESTIC EQUITY								
<i>Structured Growth</i>								
LA Capital	2,135,227	5.2%	5.1%	4.40%	4.40%	8.17%	N/A	N/A
Total Structured Growth	2,135,227	5.2%	5.1%	4.40%	4.40%	8.17%	10.41%	-8.94%
<i>Russell 1000 Growth</i>				4.89%	4.89%	1.67%	8.37%	-9.80%
<i>Structured Value</i>								
LSV	2,379,430	5.8%	5.1%	3.87%	3.87%	18.24%	9.61%	11.77%
<i>Russell 1000 Value</i>				2.89%	2.89%	14.06%	7.25%	3.12%
<i>Enhanced Russell 1000 Index</i>								
LA Capital	2,863,512	6.9%	6.9%	4.08%	4.08%	7.39%	7.65%	N/A
<i>Russell 1000</i>				3.89%	3.89%	7.92%	7.81%	N/A
<i>Enhanced S&P 500 Index</i>								
Northern Trust	2,827,229	6.8%	6.9%	3.82%	3.82%	6.02%	7.41%	N/A
Westridge	2,823,611	6.8%	6.9%	3.75%	3.75%	6.66%	7.57%	N/A
Total Enhanced S&P 500 Index	5,650,840	13.7%	13.7%	3.78%	3.78%	6.26%	8.01%	N/A
<i>S&P 500</i>				3.72%	3.72%	6.32%	7.39%	N/A
<i>S&P 500 Index</i>								
State Street	1,395,565	3.4%	3.4%	3.72%	3.72%	6.34%	7.40%	-2.83%
<i>S&P 500</i>				3.72%	3.72%	6.32%	7.39%	-2.86%
TOTAL LARGE CAP DOMESTIC EQUITY	14,424,574	34.9%	34.3%	3.94%	3.94%	8.65%	7.93%	-1.61%
<i>S&P 500</i>				3.72%	3.72%	6.32%	7.39%	-2.86%
SMALL CAP DOMESTIC EQUITY								
<i>Manager-of-Managers</i>								
SEI	4,858,098	11.8%	10.7%	6.81%	6.81%	9.36%	12.76%	N/A
<i>Russell 2000 + 200bp</i>				6.50%	6.50%	11.64%	13.28%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	4,858,098	11.8%	10.7%	6.81%	6.81%	9.36%	12.76%	5.14%
<i>Russell 2000</i>				6.34%	6.34%	9.45%	11.73%	5.10%
INTERNATIONAL EQUITY								
<i>Large Cap - Core</i>								
State Street	127,156	0.3%	0.3%	3.04%	3.04%	7.68%	5.74%	-3.05%
<i>MSCI EAFE (1)</i>				3.07%	3.07%	9.59%	5.12%	-4.04%
<i>Large Cap - Active</i>								
Capital Guardian	378,661	0.9%	0.9%	3.46%	3.46%	11.23%	4.79%	-4.41%
LSV	374,678	0.9%	0.9%	3.45%	3.45%	N/A	N/A	N/A
Bank of Ireland	124,656	0.3%	0.3%	3.29%	3.29%	12.20%	N/A	N/A
Total Large Cap - Active	877,995	2.1%	2.1%	3.43%	3.43%	13.74%	4.77%	-4.21%
<i>MSCI EAFE - 50% Hedged</i>				3.40%	3.40%	14.41%	5.24%	-3.97%
<i>Small Cap - Active</i>								
Lazard	128,623	0.3%	0.3%	4.14%	4.14%	19.82%	N/A	N/A
Wellington	126,938	0.3%	0.3%	3.53%	3.53%	12.00%	N/A	N/A
Total Small Cap - Active	255,561	0.6%	0.6%	3.83%	3.83%	15.90%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				3.90%	3.90%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,260,713	3.1%	3.0%	3.47%	3.47%	13.12%	7.05%	-2.27%
<i>MSCI EAFE - 50% Hedged</i>				3.40%	3.40%	14.41%	5.24%	-3.97%
EMERGING MARKETS EQUITY								
Capital Guardian	491,623	1.2%	1.1%	7.06%	7.06%	33.94%	13.63%	-0.44%
UBS	167,859	0.4%	0.4%	N/A	N/A	N/A	N/A	N/A
TOTAL EMERGING MARKETS EQUITY	659,482	1.6%	1.5%	7.06%	7.06%	33.94%	13.63%	-0.44%
<i>MSCI Emerging Markets Free</i>				7.08%	7.08%	34.89%	15.20%	2.78%
DOMESTIC FIXED INCOME								
<i>Core Bond</i>								
Western Asset	1,720,985	4.2%	4.9%	-0.58%	-0.58%	7.25%	4.78%	7.27%
<i>Lehman Aggregate</i>				-0.91%	-0.91%	6.80%	3.15%	5.80%
<i>Index</i>								
Bank of ND	3,074,881	7.4%	8.7%	-1.22%	-1.22%	7.23%	3.25%	6.01%
Bank of ND Match Loan CD Program	529,423	1.3%	1.3%	0.42%	0.42%	5.08%	3.75%	4.58%
Total Index	3,604,304	8.7%	10.0%	-0.81%	-0.81%	6.91%	3.27%	5.81%
<i>Lehman Gov/Credit</i>				-1.13%	-1.13%	7.26%	3.56%	5.96%
<i>Convertibles</i>								
TCW	1,369,871	3.3%	3.4%	2.77%	2.77%	-0.23%	9.81%	-2.05%
<i>Merrill Lynch All Convertibles</i>				3.19%	3.19%	0.66%	10.85%	1.00%

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BBB Average Quality								
Wells Capital (formerly Strong)	1,972,649	4.8%	4.9%	-0.50%	-0.50%	12.04%	4.99%	6.25%
<i>Lehman BBB</i>				-0.74%	-0.74%	8.60%	5.94%	5.93%
Private Debt								
Prudential	154,860	0.4%	0.4%	-0.86%	-0.86%	N/A	N/A	N/A
Timberland								
RMK	1,937,982	4.7%	4.7%	-0.08%	-0.08%	14.50%	7.48%	N/A
TIR	4,871,745	11.8%	11.8%	-0.03%	-0.03%	N/A	N/A	N/A
Total Timberland	6,809,727	16.5%	16.5%	-0.04%	-0.04%	44.29%	3.35%	2.00%
TOTAL DOMESTIC FIXED INCOME	15,632,396	37.9%	40.0%	-0.15%	-0.15%	19.23%	5.41%	5.12%
<i>Lehman Aggregate</i>				-0.91%	-0.91%	6.80%	3.15%	5.80%
HIGH YIELD BONDS								
Loomis Sayles	737,062	1.8%	1.8%	1.66%	1.66%	15.96%	N/A	N/A
<i>Lehman High Yield Cash Pay Index</i>				1.58%	1.58%	10.83%	N/A	N/A
Sutter/Wells Capital	725,811	1.8%	1.8%	1.82%	1.82%	9.62%	N/A	N/A
<i>Merrill Lynch High Yield Master II Index</i>				1.58%	1.58%	10.63%	N/A	N/A
TOTAL HIGH YIELD BONDS	1,462,874	3.5%	3.5%	1.74%	1.74%	12.76%	9.56%	3.37%
<i>Lehman High Yield Bond Index</i>				1.58%	1.58%	10.86%	11.22%	5.61%
INTERNATIONAL FIXED INCOME								
International Sovereign								
UBS Global (Brinson)	365,261	0.9%	1.0%	-0.66%	-0.66%	7.92%	8.19%	6.46%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-0.98%	-0.98%	7.75%	7.90%	6.12%
International Core								
Brandywine	392,230	0.9%	1.0%	-0.55%	-0.55%	11.78%	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-0.73%	-0.73%	8.10%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	757,491	1.8%	2.0%	-0.60%	-0.60%	9.84%	8.41%	6.59%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-0.98%	-0.98%	7.75%	7.90%	6.12%
REAL ESTATE								
INVESCO	602,625	1.5%	1.5%	0.00%	0.00%	N/A	N/A	N/A
J.P. Morgan	606,863	1.5%	1.5%	0.99%	0.99%	19.52%	6.55%	6.79%
TOTAL REAL ESTATE	1,209,488	2.9%	3.0%	0.49%	0.49%	19.52%	6.55%	6.79%
<i>NCREIF TOTAL INDEX</i>				1.75%	1.75%	18.02%	6.67%	7.57%
ALTERNATIVE INVESTMENTS								
Coral Partners V	27,398			0.00%	0.00%	-18.97%	-18.86%	-19.31%
Coral Partners V - Supplemental	3,348			0.00%	0.00%	-6.85%	-2.23%	N/A
Coral Partners VI	25,910			0.00%	0.00%	-1.17%	N/A	N/A
Brinson 1998 Partnership Fund	9,048			0.00%	0.00%	19.64%	-2.29%	-5.29%
Brinson 1999 Partnership Fund	15,048			0.00%	0.00%	9.31%	-1.36%	-6.39%
Brinson 2000 Partnership Fund	31,111			0.00%	0.00%	14.97%	-1.48%	-3.53%
Brinson 2001 Partnership Fund	18,840			0.00%	0.00%	4.00%	0.09%	N/A
Brinson 2002 Partnership Fund	10,454			0.00%	0.00%	-4.22%	7.67%	N/A
Brinson 2003 Partnership Fund	2,263			0.00%	0.00%	1.71%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	8,631			0.00%	0.00%	32.09%	11.06%	5.27%
Brinson 2000 Non-US Partnership Fund	10,246			0.00%	0.00%	15.57%	8.11%	1.89%
Brinson 2001 Non-US Partnership Fund	8,550			0.00%	0.00%	9.19%	5.12%	N/A
Brinson 2002 Non-US Partnership Fund	16,068			0.00%	0.00%	12.60%	7.72%	N/A
Brinson 2003 Non-US Partnership Fund	5,753			0.00%	0.00%	2.52%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	1,843			0.00%	0.00%	0.42%	N/A	N/A
Brinson BVCF IV	46,385			0.00%	0.00%	6.06%	1.13%	-8.29%
Matlin Patterson Global Opportunities	51,487			0.00%	0.00%	102.75%	N/A	N/A
Matlin Patterson Global Opportunities II	24,884			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	7,983			0.00%	0.00%	-18.88%	-6.88%	N/A
Hearthstone MSII	0			0.00%	0.00%	1214.92%	18.39%	13.51%
Hearthstone MSIII	47,154			0.00%	0.00%	16.51%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	372,406	0.9%	1.0%	0.00%	0.00%	17.54%	3.01%	-3.42%
CASH EQUIVALENTS								
Northern Trust STIF/STEP	653,476	1.6%	1.0%	1.56%	1.56%	2.19%	1.61%	2.59%
<i>90 Day T-Bill</i>				0.23%	0.23%	2.15%	0.91%	2.23%
TOTAL FUND	41,290,998	100.0%	100.0%	2.25%	2.25%	13.81%	11.53%	4.95%
POLICY TARGET BENCHMARK				1.86%	1.86%	8.15%	8.59%	3.87%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual c